
\$40 Million For Stem Cell Tools to Drive Biotech Economy, Accelerate New Therapies

Posted: February 4, 2010

San Francisco, Calif. – The Governing Board of the California Institute for Regenerative Medicine, the state stem cell agency created by Proposition 71, today authorized \$40 million to fund up to 20 Tools and Technologies II Awards for new stem cell therapeutic tools. These awards are expected to drive significant new economic activity, generating additional tax revenues and jobs in California's fast growing biotechnology sector.

The grants are designed to break through technical roadblocks and accelerate the path of stem cell therapies to reach patients suffering from heart disease, diabetes, Alzheimer's, cancer, HIV/AIDS and many more additional chronic diseases and injuries. This new competition for Tools & Technology Awards follows a successful first round awarded in December, 2008 that provided \$19 million and attracted significant interest from biotech companies as well as universities and research institutes. Based upon grants and loans approved by the Governing Board through January 2010, Prop 71 is estimated to generate 100,000 new job years of employment.

The formal request for applications for this round of funding will go out this spring, and this fall the grants working group of the CIRM, composed of expert scientists from outside California, will make recommendations to the board about which applications to fund based on the highest medical impact and urgency.

Alan Trouson, CIRM president, said, "This targeted approach to soliciting potential solutions to obstacles in the basic and applied aspects of the stem cell field is critical if we want to accelerate our translational and preclinical path to the clinic, which is something other grant funding agencies rarely do. We anticipate a strong response from the vibrant Californian biotechnology sector."

The Governing Board also approved the second phase of a Loan Program for biotech companies that is designed to recapture the funds advanced for medical research, permitting the state to recycle these scarce resources into an additional round of medical research and therapy development. Loans will run from 5-10 years.

Robert Klein, Chair of the Governing Board said, "In this economy, biotech companies are often paralyzed by a lack of capital and they cannot advance new therapies critically needed by patients or even sustain their core employees salaries. The loan program will help carry promising therapies across the 'Valley of Death', where promising therapies are abandoned for lack of capital. Proposition 71 and CIRM must bridge these obstacles to reach chronically ill patients."

The first loan program agreement is in process for a team working on a stem cell therapy for juvenile diabetes, resulting from a \$20 million Disease Team award made in October 2009.

About CIRM: CIRM was established in November 2004 with the passage of Proposition 71, the California Stem Cell Research and Cures Act. The statewide ballot measure, which provided \$3 billion in funding for stem cell research at California universities and research institutions, was overwhelmingly approved by voters, and called for the establishment of an entity to make grants and provide loans for stem cell research, research facilities, and other vital research opportunities. To date, the CIRM governing board has approved 328 research and facility grants totaling more than \$1 billion, making CIRM the largest source of funding for human embryonic stem cell research in the world. Estimates suggest that these grants already awarded will generate tens of thousands of job-years of employment in the state.

Contact:
Don Gibbons
415-396-9117
dgibbons@cirm.ca.gov